

PERAC

COMMONWEALTH OF MASSACHUSETTS | PUBLIC EMPLOYEE RETIREMENT ADMINISTRATION COMMISSION

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MEMORANDUM

TO: Berkshire County Retirement Board

FROM: John W. Parsons, Esq., Executive Director

RE: Approval of Funding Schedule

DATE: September 14, 2021

This Commission is hereby furnishing you with approval of the revised funding schedule you recently adopted (copy enclosed). The schedule assumes payments are made on average on October 1 of each fiscal year. The schedule is effective in FY22 (since the amount under the prior schedule was maintained in FY22) and is acceptable under Chapter 32.

The revised schedule reflects a reduction in the investment return assumption from 7.0% to 6.75% and reflects a slight revision to the mortality assumption.

If you have any questions, please contact PERAC's Actuary, John Boorack, at (617) 666-4446, extension 935.

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Alternative 1
6.75% Investment Return
7.0% Total Increasing to FY28

Berkshire County Retirement System
January 1, 2021 Actuarial Valuation

Total Appropriation Increases 7.0% per year until FY27 with final amortization payment in FY28

<u>Fiscal</u> <u>Year</u>	<u>Normal</u> <u>Cost</u>	<u>Net</u> <u>3(8)(c)</u>	<u>Amort. of</u> <u>UAL</u>	<u>Amort. of</u> <u>2002 ERI</u>	<u>Amort. of</u> <u>2003 ERI</u>	<u>Total</u> <u>Cost</u>	<u>Unfunded</u> <u>Act. Liab.</u>	<u>% Increase</u> <u>Total Cost</u>
2022	5,734,278	315,000	5,530,998	64,269	35,455	11,680,000	42,005,111	
2023	5,992,320	315,000	6,190,680			12,498,000	38,926,205	7.00%
2024	6,261,975	315,000	6,796,025			13,373,000	35,051,318	7.00%
2025	6,543,763	315,000	7,450,237			14,309,000	30,279,050	7.00%
2026	6,838,233	315,000	8,157,767			15,311,000	24,497,500	7.00%
2027	7,145,953	315,000	8,922,047			16,383,000	17,582,539	7.00%
2028	7,467,521	315,000	9,551,467			17,333,988	9,398,053	5.80%
2029	7,803,560	315,000				8,118,560	0	-53.16%

Appropriation payments assumed to be made on average on October 1 of each fiscal year
Normal cost assumed to increase 4.5% per year
Assumed expenses of \$1,275,000
FY22 amount maintained at level of prior funding schedule